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REAL ESTATE LICENSE LAW

Regulations and Information Relative to Real Estate Brokers and Salesmen

**EXCERPTS FROM
BULLETIN 642
1949**

**COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF PUBLIC INSTRUCTION
STATE REAL ESTATE COMMISSION
HARRISBURG**





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**COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF PUBLIC INSTRUCTION**

STATE REAL ESTATE COMMISSION

HARRISBURG

Commonwealth of Pennsylvania
DEPARTMENT OF PUBLIC INSTRUCTION
Bureau of Professional Licensing
State Real Estate Commission
Harrisburg

1947 Revision, Including Amendments to the Real
Estate License Law Effective September 1, 1947

EXAMINATIONS FOR SALESMEN

Examination Subjects for Salesmen—The License Act states that the examinations for salesmen shall be limited to mathematics applicable to real estate business, the Real Estate Broker's License Act, and ethical practices thereunder.

Type of Questions for Salesmen—Various types of questions may be asked in the examinations, such as supplying missing words, selecting the right answer when a list of confusing responses is suggested, and selecting the true and false answers to a series of questions. The questions in mathematics include measurements, interest, commission, taxation, profit and loss, etc., as applied to real estate transactions. The Commission does not supply applicants with copies of previous examinations.

The following sample exercises illustrate types of questions asked:

1. Mr. Green bought a lot for \$1,000. He sold it in three years for \$1,300, having paid \$25 taxes on it each year. Find his profit counting lost interest of 2% each year as an expense.
2. A house valued at \$10,000 was insured against fire for 80% of the value. The rate was \$.20 per \$100. How much was the premium for one year?
3. A property is assessed at \$5,800. The school tax rate is \$1.55 per \$100 of assessed valuation. What is the amount of the school tax on the property?
4. Responsibility for the administration of the Pennsylvania Real Estate Brokers License Act rests with the
5. Where must a real estate salesman's license be displayed?
6. What restrictions are placed on a real estate salesman in regard to advertising property for sale or for rent?

EXAMINATIONS FOR BROKERS

Education and Preparation

A person to be licensed as a real estate broker must be over the age of twenty-one years, must be a citizen of the United States, and must have served an apprenticeship as a duly licensed real estate salesman in the employ of a duly licensed broker or brokers for a period of not less than two years or furnish application proof of experience equivalent thereto. There is also special provision for a person engaged in the real estate business for a period of two years or more prior to January 1, 1930, to be admitted to an examination for real estate broker's license. Every applicant is advised to devote as much time as possible in study and serious preparation. Applicants should study textbooks on real estate and whenever possible, they should take courses of study on real estate provided by schools, colleges and real estate boards.

A real estate salesman making application for a real estate broker's license must submit evidence satisfactory to the Commission of being actively engaged in performing the functions of a real estate salesman during his period of apprenticeship as a real estate salesman. Satisfactory evidence requires an affidavit of the real estate salesman and affidavit of the real estate broker.

Examination Subjects for Brokers

The Act states that "examinations for a broker's license shall include questions on real estate practice, real estate law, the applicant's ability to read and write English, his knowledge of mathematics and other common school branches." In view of the general acceptance of the principle of qualifying applicants for broker's licenses through examination and its benefits to the real estate business and the public, the Commission sets standards for examinations on a plane consistent with present-day requirements.

The examinations are extended to cover as completely as possible the field of real estate. They cover questions pertaining to the laws of real property, conveyancing and real estate documents such as leases, deeds, mortgages, agency and land contracts, incumbrances and liens, titles, closing of real estate transactions, taxes, property management, selling, appraising, leasing, and the Pennsylvania Real Estate License Law, and all such related knowledge as an applicant should have to properly conduct business.

Types of Questions for Brokers

The examinations consist of a series of questions of such a nature that they can be answered without much writing. They are sufficiently varied to provide a rather complete covering of the subject matter and thereby increase their reliability and validity. The Commission changes the questions for each examination and does not furnish applicants with copies of previous examinations.

The following exercises illustrate types of questions included in examinations:

1. The term "real estate broker" includes persons engaged in certain activities. Mention five (5) of these activities.
2. Mention two (2) requirements for obtaining a real estate brokers' license that are not required for a real estate salesmans' license.
3. Prepare a simple closing statement covering the following transaction:

A title was transferred on November 1, for a total consideration of \$8,500 which included a first mortgage of \$4,500. The purchaser had paid earnest money of \$250.00 on September 1, when he signed the agreement. Interest on the mortgage at 5% was paid up to September 1. All taxes for the calendar year ending December 31, had been paid by the owner and were as follows: School tax, \$56.00; city tax, \$40.00; and county tax, \$22.00. Taxes and interest were prorated as of date of settlement.

4. What is a deed?
5. What is an option?
6. The right of another other than the owner to some limited use of property (such as a roadway, a walk, etc.) is known as an

SCHEDULE OF EXAMINATIONS

The Commission conducts on the second Saturdays in January, April, July and October, written examinations in five cities of Pennsylvania. The starting time of these examinations is 9 a. m. Three hours are allowed for these examinations.

RULES FOR ADMISSION

Applications complete and satisfactory to the Commission must be on file in the Harrisburg office not later than the fifteenth day of the month preceding the month in which the examination is held. Applicants are assigned to the nearest examination center unless they request to be assigned otherwise.

Examination Centers

ERIE
HARRISBURG
PHILADELPHIA
PITTSBURGH
WILKES-BARRE

Failure To Appear or Pass

Those who fail to appear or pass the real estate broker's examination for the first time will be scheduled for the next regular examination. Persons having applied for a real estate salesman's license who fail to appear for the examination must notify the Commission if they wish to be scheduled for the next examination. Those who fail the first examination will be issued a real estate salesman's temporary permit upon request.

REAL ESTATE REFERENCE BOOKS

The Department does not recommend any real estate reference books, but lists some of the books on real estate law and real estate practice containing information which should be helpful to those planning to take the examinations.

AM. INST. OF R. E. APPRAISERS	Appraisal Terminology
FREDERICK M. BABCOCK	.....The Appraisal of Real Estate
E. H. BOECKH	.....Manual of Appraisals
JAMES C. BONBRIGHT	.....The Valuation of Property
WILLIAM W. HALL	.....Title Searches and Passing Titles in Pennsylvania
GROVER C. LADNER	.....Conveyancing in Pennsylvania
MANDEL	.....Real Estate Management
VINCENT NICHOLSON	.....Pennsylvania Law of Real Estate
ROBERT W. SEMENOW	.....Survey of Real Estate Brokers' License Law
ROBERT W. SEMENOW	.....The Pennsylvania Law of Real Estate Brokerage, Landlord and Tenant
J. J. SULLIVAN	.....Pennsylvania Business Law
SHELDON C. TANNER	.....Principles of Business Law in Pennsylvania
WILLIAM TRICKETT	.....The Law of Landlord and Tenant in Pennsylvania

Information as to where these books may be purchased can be secured from local realty boards.

TERMS COMMONLY USED IN REAL ESTATE TRANSACTIONS

Persons taking the examinations for real estate brokers' license should know the meaning of terms commonly used in real estate transactions, such as:

Abstract of Title	Bond	Default
Acre	Broker	Dispossess
Adverse Possession	Building Code	Easement
Affidavit	Cloud on the Title	Economic Life
Agent	Commission	Ejectment
Amortization	Condemnation	Eminent Domain
Annuity	Consideration	Encroachment
Appraiser	Constructive Eviction	Encumbrance
Appraisal by Capitaliza- tion	Contract for Sale	Equity
Appraisal by Summation	Conveyance	Escheat
Appraisal by Comparison	Covenant	Escrow
Appurtenances	Cubage	Eviction
Assessed Valuation	Courtesy	Exclusive Agency
Assessment	Dedication	Fixtures
Assignee	Deed	Foreclosure
Assignment	Depreciation	Forfeit
Binder	Devise	Front Foot
Blanket Mortgage	Dower	General Warrantee Deed
	Duplex	Grantee

Grantor	Obsolescence	Riparian Rights
Ground Rent	Option	Seize
Habendum Clause	Over Improvement	Simple Listing
Installment Contract	Party Wall	Special Warranty Deed
Joint Tenancy	Percentage Lease	Specific Performance
Judgment	Personalty	Subdivision
Junior Mortgage	Pocket License Card	Sub-letting
Landlord	Police Powers	Survey
Lease	Principal	Temporary Permit
Leasehold	Principal Note	Tenancy at Will
Lessee	Property Management	Tenancy in Common
Lessor	Prospectus	Tenancy at Sufferance
License	Public Trustee	Tenant
License Year	Purchase Money Mort-	Tenement
Lien	gage	Termination by Surrender
Listing	Quit-Claim Deed	and Acceptance
Life Estate	Realtor	Title by Adverse Pos-
Market Value	Redemption	session
Mechanic's Lien	Release	Title Insurance
Meeting of Minds	Reproduction Cost	Trust Deed
Mercantile Tax	Restriction	Usury
Metes and Bounds	Restrictive Covenant	Vendor
Mortgage	Reversion	Waiver
Mortgagee	Right of Dower	Warranty Deed
Mortgagor	Right of Way	Writ of Execution
		Zoning

RULES AND REGULATIONS FOR THE CONDUCT OF REAL ESTATE OFFICES

Adopted by the State Real Estate Commission
Effective January 1, 1946

The Office

1. It is recommended that the office of the broker be in an office building or commercial building which will be easily accessible to the public, but when a real estate office is conducted in a private home a room shall be set apart to be used for the transaction of real estate business or allied business such as insurance, building contracting, achitecture or building and loan association, and there shall be an outside entrance into the real estate office, separate and apart from the entrance into the residence and no part of the residence shall be trespassed in order to enter the office.
2. The requirements prescribed for a branch office shall be the same as the requirements for a main office.
3. The furniture and office equipment in an office shall include at least one desk, four chairs, one filing cabinet.
4. The sign to be displayed on the outside of a real estate office shall consist of letters of no less than one and one-half inches in height, unless building rules are contradictory.

5. When an unforeseen event, such as death or emergency, illness or unanticipated call to military service or training, removes the sole licensed broker in an office, it will be necessary to have a licensed broker placed in charge, or arrangements might be made for another broker to operate the business as a branch office.
6. No branch office license shall be issued unless it appears to the satisfaction of the Commission that the management of the office is in the personal charge of a duly licensed resident real estate broker.

Sale and Rent Signs—Advertising

1. There shall be no “For Sale” or “For Rent” signs or similar signs placed on any property without the owner’s consent. This consent may be given in writing or verbally.
 2. A real estate salesman shall not advertise real estate under his own name, or place his name on “For Rent” or “For Sale” signs, but such advertising and signs must bear the name of the BROKER by whom the salesman is employed.
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RELATIONSHIP BETWEEN BROKERS AND SALESMEN

1. It shall be unlawful for any licensed real estate broker or any real estate salesman to pay any compensation, money or other valuable thing, to any person other than a licensed real estate broker or real estate salesman, for rendering of any service or doing of any of the acts forbidden to be rendered or performed by other than licensees.
2. A licensed real estate salesman is employed solely by the broker with whom he is licensed, and the salesman has no right to perform independently any real estate service for other brokers, builders or owners.
3. A real estate broker, regularly licensed, who does not conduct an office under his own name in accordance with the terms of the Act, but is employed by another licensed broker and performs the services of a salesman must not at any time act independently as a broker and shall not perform any real estate service without the full consent and knowledge of his employer.

Part-Time Brokers and Salesmen

The Commission does not look with favor upon part-time brokers and salesmen, but it does recognize that in sparsely settled regions and in the case of those without financial backing entering the real estate business with serious intentions of making it full-time work, there are valid reasons for licensing some part-time brokers and salesmen.

A license is recognized as evidence of ability to give service and the public is entitled to receive service at all times, particularly during the business hours. Only those persons giving regular attention to the real estate business can have information of changing conditions.

CANONS OF BUSINESS ETHICS

Adopted by the State Real Estate Commission

Effective January 1, 1946

1. There must be no offering for sale or for rent of any property without the authority of the owner or the owner's agent.
2. There should be no specific guarantee made as to future profits for the resale of real estate.
3. There should be no withholding of pertinent information relative to a property that either of the principals in the transaction should know.
4. When acting as an agent in the management of real estate a broker should not accept any commission, rebate or profit on expenditures made for the owner without his full knowledge and consent.
5. A broker should make it clear for which party he is acting and he should not receive compensation from more than one party except with the full knowledge and consent of all parties to the transaction.
6. At the time an agreement is reached as to the terms of a transaction the broker or salesman should fully inform each party regarding commissions and other expenses for which each is respectively responsible.
7. All contracts and agreements to which a broker is a party should be made in writing and should be complete and exact. Copies of these papers should be retained by the broker for a period of at least three years.
8. Where no rates of commission have been agreed upon at the signing of contracts and agreements, the rates of local real estate boards or the prevailing rates in the community should be the rates charged.
9. A broker should not buy for himself property listed with him, nor should he acquire any interest therein, without first making his true position clearly known to the listing owner.
10. When the owner fails or is unable to consummate the deal, the broker has no right to any portion of the money deposited with him by the purchaser, even though the commission is earned. The money must be returned to the purchaser and the broker should look to the owner for his compensation.
11. There shall be no seeking of prospects or solicitation of prospects for real estate by offering so-called "FREE LOTS" or by contests, prizes or lotteries.
12. The licensee shall not commit any act, or be guilty of any conduct which demonstrates bad faith, untrustworthiness, incompetency, fraudulent, unethical or dishonest dealing.
13. All contracts for services which are performed without license or renewal certificate are declared void, and any client who receives the benefits of a broker's services during that period may decline to pay the commission that the broker might have earned.

THE REAL ESTATE BROKERS' LAW

Act of Pennsylvania Legislature, May 1, 1929, P. L. 1216, as amended April 1, 1931, P. L. 15; June 26, 1931, P. L. 1410; May 16, 1935, P. L. 170; July 2, 1937, P. L. 2811; May 26, 1939, P. L. 230; May 5, 1945, P. L. 424; May 25, 1945, P. L. 1023; June 21, 1947, P. L. 769; June 25, 1947, P. L. 965.

Section 1. CITATION OF ACT.

This act shall be known, and may be cited, as the Real Estate Brokers' License Act of one thousand nine hundred and twenty-nine.

Section 2. DEFINITIONS—REAL ESTATE BROKER.

(a) The term "real estate broker" shall include all persons, co-partnerships, associations, and corporations, foreign and domestic, who, for another and for a fee commission, or other valuable consideration, shall sell, exchange, purchase, or rent, or shall negotiate the sale, exchange, purchase or rental, or shall offer or attempt to negotiate the sale, exchange, purchase or rental, or shall hold himself or themselves out as engaged in the business of selling, exchanging, purchasing, or renting of any real estate, interest in real estate, the property of another, whether the same shall be located within the State of Pennsylvania, or elsewhere, or shall collect or offer or attempt to collect rental for the use of real estate, the property of another, or shall negotiate or offer or attempt to negotiate a loan, secured or to be secured by mortgage or other encumbrance upon or transfer of any such real estate. It shall also include any person, copartnership, association, or corporation employed by the owner or owners of lots, or other parcels of real estate, including cemetery lots, at a stated salary, or upon a commission, or upon a salary and commission basis or otherwise, to sell such real estate, or any parts thereof, in lots or other parcels, and who shall sell or exchange, or offer or attempt to negotiate the sale or exchange of any such lot or parcel of real estate. One act in consideration of compensation, by fee, commission or otherwise, of buying, selling, renting or exchanging any such real estate of or for another, or attempting or offering so to do, or negotiating a loan upon or leasing or renting or placing for rent any such real estate, or collection of rent therefrom, shall constitute prima facie evidence that the person, copartnership, association, or corporation, so acting or attempting to act, is a real estate broker within the meaning of this act. The term "real estate broker" shall also include all real estate auctioneers and real estate appraisers as well as all managers of office buildings, apartment buildings, and other buildings, and persons employed by the owners of such buildings, banking institutions and trust companies for the foregoing purposes.

DEFINITIONS—REAL ESTATE SALESMAN.

(b) The term "real estate salesman" shall mean and include any person employed by a licensed real estate broker to perform any or all of the functions of a real estate broker. Provided, however, that stenographic or other clerical help employed solely in such capacity in the office of the broker shall not be required to be licensed as real estate salesman.

EXCEPTIONS.

(c) Neither of the said terms "real estate broker" or "real estate salesman" shall be held to include within the meaning of this act any person, firm, association, partnership or corporation, who, as owner, shall perform any of the acts with reference to property owned by them, nor any person holding in good faith a duly executed letter of attorney from the actual owner of any real estate, authorizing the sale, conveyance or leasing of such real estate for and in the name of such owner, or the negotiating of any loan thereon, where such letter of attorney is recorded in the office of the recorder of deeds, nor shall they be held to include, in any way, attorneys at law and justices of the peace, nor shall they be held to include any receiver, trustee in bankruptcy, administrator or executor, or any other person or corporation acting under the appointment or order of any court, or as trustee under the authority of a will or deed of trust where only the transactions pertaining thereto are involved, or the duly elected executive officer of any

banking institution or trust company operating under the banking laws of Pennsylvania, nor shall they be held to include any officer or employe of a cemetery company who, as incidental to his principal duties and without remuneration therefor, shows lots in such company's cemetery to persons for their use as a family burial lot, and who accepts deposits on such lots for the representatives of the cemetery company legally authorized to sell the same.

(d) The term "Department" shall mean the Department of Public Instruction of this Commonwealth.

(e) The term "Commission" shall mean the State Real Estate Commission, a departmental administrative board of the Department of Public Instruction.

Section 3. DEPARTMENT OF PUBLIC INSTRUCTION TO ISSUE LICENSE.

The Department shall issue real estate brokers' and salesmen's licenses, under the provisions of this Act. The Commission shall supervise and control all such licenses, as hereinafter specifically provided.

Section 4. COPIES OF DEPARTMENT RECORDS AS EVIDENCE—FEES FOR COPIES.

(a) Copies of all records and papers or documents, filed in the office of the Department, and of all proceedings by or before the Commission, with the Commission's action thereon, and stenographic notes of testimony, or other evidence submitted, when certified under the seal of the Department, shall be admitted to be read in evidence in all courts in this Commonwealth in all cases where the originals would be admissible in evidence under the provisions of this act: Provided, That in any proceeding the court having jurisdiction may on cause shown, require the production of the original.

(b) For every copy of paper filed with the Department in any proceedings before the Commission, the Department may charge such fees as it may by general rule or regulation prescribe, not exceeding twenty-five cents (25¢) per folio.

Section 5. INFORMATION NOT TO BE DIVULGED; PENALTIES; EXCEPTIONS; RULINGS TO BE PUBLIC RECORDS.

Neither the Superintendent of Public Instruction, any member of the Commission, nor any deputy, secretary, representative, clerk, or other employe of the Department, shall, directly or indirectly, wilfully exhibit, publish, divulge, or make known to any person or persons any record, report, statement, letter, or any other matter, fact, or thing contained among the papers, documents, or records of said Department, or ascertain from any of the same, or from any investigation or proceedings made or held under the provisions of this Act, by or before the Commission, or any of its deputies, members, secretary, or representatives, excepting in such manner as is expressly authorized by this Act, and excepting when the production of such information in a proceeding in any court is duly required by subpoena, issued by special order of the court, or other regular process; any violation of the provisions of this section shall be a misdemeanor, upon conviction whereof, the person so offending shall be sentenced to pay a fine not exceeding one thousand (\$1,000) dollars:

Provided, however, That the provisions of this section shall not apply to any ruling or decision of the Commission, with the record relative thereto, and upon which the same was founded, which ruling or decision shall have been duly made and entered under and in accordance with the provisions of this Act, after investigation and/or hearing as hereinafter provided. All such records shall, immediately upon the entry of such ruling or decision, become public records of the Department, subject to inspection by any person interested.

Section 6. LICENSE REQUIRED—RESTRICTIONS AS TO CITIZENSHIP, AGE AND APPRENTICESHIP.

From and after January 1, 1930, it shall be unlawful for any person, copartnership, association, or corporation to engage in or carry on the business, or act in the capacity of a real estate broker, or a real estate salesman, within this Commonwealth, without first obtaining a license as a real estate broker or real estate salesman from the Department.

No person, copartnership, association, or corporation may be licensed by the Department as a real estate broker unless such person and all of the members of any such copartnership or association who are actively engaged in the real estate business and all of the officers of any such corporation who are actively engaged are of the age of twenty-one years and upwards, are citizens of the United States and shall have served an apprenticeship as a duly licensed real estate salesman, of not less than two years in the employ of a duly licensed real estate broker or brokers, or upon application, proof of experience equivalent thereto.

Any person engaged in the real estate business for a period of two years or more prior to January 1, 1930, may be admitted to an examination for a real estate broker's license: Provided, That he or she shall meet all of the prerequisites of applicants for such licenses, except that he or she shall not be required to have served in the employ of a duly licensed real estate broker or brokers as a duly licensed real estate salesman for a period of two years: Provided, however, That any person, partnership, or unincorporated association who or which has been licensed as a private bank by the Department of Banking of the Commonwealth of Pennsylvania for a period of thirty (30) years or more prior to the first day of January, one thousand nine hundred forty-five shall, if application therefor is made within ninety (90) days of the effective date of this act, be entitled to apply for and to receive a real estate broker's license without examination.

Section 7. LICENSES—DEPARTMENT TO ISSUE.

(a) It shall be the duty of the Department, upon payment of license fees required by this act, to issue licenses as real estate broker or real estate salesman to all individuals, and as real estate broker alone to all copartnerships, associations, and corporations, who shall be duly qualified under and shall comply with the provisions of this Act.

BROKERS' APPLICATIONS—EXPIRATION DATES.

(b) Applications for licenses as real estate broker shall be made, in writing, to the Department, upon a blank provided for the purpose by the Department, and shall contain such information as to the applicant, or, when the application is made by a copartnership, association, or corporation, as to its members or officers, as the Commission shall require. The application shall be signed by the applicant, and shall be accompanied by the recommendation of at least two citizens not related to the applicant, or, in the case of a copartnership or corporation to any member or officer thereof, who shall be owners of real estate within, and residents of, the county in which the applicant resides, or has his, their, or its place of business, certifying to the honesty, truthfulness, and good repute of the applicant, or, in the case of a copartnership, or association, or corporation, its members or officers by name, and recommending that a license be granted the applicant and by the recommendation of one licensed real estate broker or licensed member or officer of a copartnership, association, or corporation licensed as a real estate broker. If the applicant or, in the case of copartnership or corporation, any of its members or officers, shall have resided, or shall have engaged in business by less than one year in the county from which the application is made, such application shall also be accompanied by the recommendation of at least two (2) real estate owners, not related to the applicant, of each of the counties where he or each of such members or officers has formerly resided or engaged in business during the said period of one year prior to the filing of such application, certifying to the honesty, truthfulness, and good repute of the applicant, or its members or officers by name, and recommending that the license be granted. Each application shall be accompanied by two photographs of the applicant or in the case of a copartnership, association or corporation of the applicant members or officers thereof. Where the applicant for a real estate broker's license maintains more than one place of business within the Commonwealth, he shall be required to apply for and procure a duplicate license for each branch office so maintained by him, such duplicate license to be issued with an additional charge of two dollars and fifty cents (\$2.50) for each additional office or place of business. Every such application shall state the name of the person, copartnership, association, or corporation, and the location of the place or places of business for which such license is desired, and

the license shall expire on the last day of February immediately following the date of issue, unless sooner revoked or suspended by the Commission, or renewed annually, as hereinafter described: Provided, That upon the filing of an application the Commission may investigate the allegations therein contained, and if upon investigation it finds such allegations untrue it may refuse to examine or license the applicant setting forth in writing its findings and the reasons for its refusal and furnishing a copy thereof to the applicant.

SALESMEN'S APPLICATIONS.

(c) Application for license as real estate salesman shall be made in writing to the Department, signed by the applicant, setting forth the period of time during which he has been engaged in the business, stating the name of the last employer, and the name and place of business of the person, firm, copartnership, association, or corporation then employing him, or into whose employ he is then about to enter. All applications shall be made upon a blank provided for the purpose by the Department, and shall contain such information as to the applicant, in addition to the above prescribed, as the Commission shall require. The application shall be accompanied by the recommendation of his employer, or prospective employer, certifying that the applicant is honest, truthful, and of good repute, and recommending that such license be granted. All such licenses shall expire on the last day of February immediately following the date of issue, unless sooner revoked or suspended by the Commission, or renewed annually, as hereinafter described.

EXAMINATIONS FOR BROKERS AND SALESMEN.

No person may hereafter be licensed as a real estate salesman, and no person, copartnership, association, or corporation may hereafter be licensed as a real estate broker, by the Department, unless such person and all of the members of any such copartnership or association, and all of the officers of any such corporation intending to actually engage in, or actually engaging in, the real estate business as a real estate broker or salesman, shall first submit to and pass an examination conducted by the Commission and prepared by the Commission. The Commission shall hold examinations on the second Saturdays in January, April, July, and October in the cities of Philadelphia, Pittsburgh, Harrisburg, Wilkes-Barre, and Erie, at such hours, and under such rules and regulations as the Commission shall prescribe: Provided, That the Commission may make a special dispensation or exception because of religious scruples of applicants as to the day of the week upon which the examination shall be held. The examination for a broker's license shall include questions on real estate practice, real estate law, the applicant's ability to read and write English, his knowledge of mathematics and other common school branches. The examination for salesman's license shall be limited to mathematics applicable to real estate business, the Real Estate Broker's License Act and ethical practices thereunder: Provided, however, That in event the license of any real estate broker or salesman shall be cancelled by the Commission, subsequent to the enactment of this Act, no new license shall be issued to such person, unless he complied with the provisions of this Act: Provided, further, however, That the Commission may waive these requirements in the case of an application from a non-resident broker of those states having similar requirements, under the laws of which, similar recognition and courtesies are extended to licensed real estate brokers and real estate salesmen of this State.

TEMPORARY PERMITS FOR SALESMEN.

An individual who fails to pass the examination may apply for and receive from the Department, a temporary permit to operate as a real estate salesman until the next regular examination. Any individual, who fails to pass the examination at two successive examinations, shall be ineligible for a similar examination, until after the expiration of six months from the time such individual took the last examination.

Any person who has for a period of two years immediately preceding the effective date of this Act (July 2, 1937) engaged in any business or occupation not heretofore required to be licensed as a real estate broker and who is under the provisions of these amendments required to be so licensed shall be issued a real estate broker's license by the Department of Public Instruction without re-

quiring him or her to submit to an examination as required by the Act to which this is an amendment and its amendments, provided that such person makes application for such license within ninety (90) days after the effective date of this Act (July 2, 1937) and pays the fee prescribed by law for such licenses.

AUTHORITY TO TRANSACT BUSINESS NOT TRANSFERABLE.

(d) Authority to transact business as a real estate broker, or real estate salesman, under any license issued by the Department, shall be restricted to the person—named in such license, and shall not inure to the benefit of any other person or persons whatsoever. Where a real estate broker's license shall be issued to a corporation or association, authority to transact business thereunder shall be limited to one officer of such corporation or association, to be designated in the application and named in the license. Each other officer of such association or corporation, desiring to act as a real estate broker in connection with the business of the said association or corporation or otherwise, shall be required to make application for and take out a separate license in his or her own name individually. Where the licensee is a copartnership, the license issued to such copartnership shall confer authority to act as real estate broker upon one member of such copartnership only, who shall be designated in the application and named in the license; all the other members of such copartnership desiring to act as real estate brokers in connection with the business of the partnership, or otherwise, shall be required to apply for and take out individual licenses in their own names.

NON-RESIDENT LICENSES.

(e) A non-resident of this State may be licensed as a real estate broker or a real estate salesman, upon complying with all the provisions and conditions of this Act relative to resident brokers and salesmen.

RECIPROCITY WITH OTHER STATES.

(f) In connection with the application of a non-resident of this State for a license as real estate broker or real estate salesman, the Commission may accept, in lieu of the recommendations and statements otherwise required to accompany the application for such license, the license as real estate broker or real estate salesman issued to such applicant by the proper authority of the state of his domicile, upon the payment by the applicant of the proper license fee, and the filing with the Department of a duly certified copy of the license issued to such applicant by such other state. In such case the licensee shall not be required to maintain a definite place of business within this State: Provided, That he, if a broker, shall maintain an active place of business within the state of his domicile. Provided, however, and it is hereby expressly stipulated, That the provisions of this paragraph (f) of Section 7, of this Act, shall only apply to licensed real estate brokers and real estate salesmen of those states under the laws of which similar recognition and courtesies are extended to licensed real estate brokers and real estate salesmen of this State: Provided, further, That every non-resident applicant shall file an irrevocable consent that suits and actions may be commenced against such applicant, in the proper court of any county of this State in which a cause of action may arise, in which the plaintiff may reside, by the service of any process or pleading authorized by the laws of this State on the Chairman of the Commission, said consent stipulating and agreeing that such service of such process or pleadings on the Chairman of the Commission shall be taken and held in all courts to be as valid and binding as if due service had been made upon said applicant personally within the State. Said instrument containing such consent shall be authenticated by the seal thereof, if a corporation, or by the acknowledged signature if a member or officer thereof, if otherwise. All such applications, except from individuals, shall be accompanied by the duly certified copy of the resolution of the proper officers, or managing board, authorizing the proper officer to execute the same. In case any process or pleadings mentioned in the case are served upon the Secretary of the Commission, it shall be by duplicate copies, one of which shall be filed in the office of the Department, and the other immediately forwarded by registered mail to the main office of the applicant against which said process or pleadings are directed.

Section 8. FEES FOR LICENSE AND RENEWALS.

The fees to be charged by and paid to the Department by licensees for all licenses and renewals thereof issued shall be as follows:

(1) A fee of ten dollars (\$10.00) shall accompany an application for examination for a real estate broker's license, and in event that the applicant successfully passes the examination, no additional fee shall be required for the issuance of a certificate of registration: Provided, That if the applicant fails to pass the examination, he may be eligible to take the next examination without any additional fee: Provided, That there shall be an additional license fee of two and one-half (\$2.50) dollars, annually, for each additional office or place of business.

(2) A fee of five dollars (\$5.00) shall accompany an application for examination for a real estate salesman's license, and in event that the applicant successfully passes the examination, no additional fee shall be required for the issuance of a certificate of registration: Provided, however, That if the applicant fails to pass the examination, he may be eligible to take the next examination without any additional fee.

(3) It shall be the duty of all persons, licensed to practice as a real estate broker or real estate salesman, to register annually with the Department and pay for each such annual registration as a real estate broker, the sum of five dollars (\$5.00) and pay for each such annual registration as a real estate salesman, the sum of two dollars and one-half (\$2.50). Said application, for renewal of real estate broker's or salesman's license, shall be made to the Department annually on or before March first, of the next succeeding year.

LIST OF LICENSEES.

(4) The Commission shall be required to publish annually a list of the persons, copartnerships and corporations registered for that particular year.

Section 9. PLACE OF BUSINESS TO BE MAINTAINED—DISPLAY OF LICENSE.

(a) Every person, copartnership, association, or corporation licensed as a real estate broker under the provisions of this Act, shall be required to have and maintain a definite place of business within the Commonwealth, which shall be a room or rooms used exclusively for the transaction of real estate business or such business and any allied business and which shall serve as his, their, or its office for the transaction of business under the authority of the said license, and where the certificate of registration and the current annual renewal card shall be prominently displayed. The said place of business shall be specified in the application for license, and designated in the license, and no license issued under the authority of this Act shall authorize the licensee to transact business from any office other than that designated in the license, unless notice in writing shall be given within ten days to the Department of any change of business location, designating the new location of such office, whereupon the Department shall forthwith issue a new license for the new location for the unexpired period without charge. The change of the specified business location, without notification to the Department, shall automatically cancel the license theretofore issued. Every real estate broker shall display on the outside of his place of business a sign containing the words REAL ESTATE or REALTOR where such latter title is duly authorized. The Commission shall adopt reasonable rules and regulations for the conduct of such places of business.

DISPLAY OF SALESMEN'S LICENCES—NOTICE OF CHANGE OF EMPLOYER.

(b) All real estate brokers shall also prominently display in their place or places of business the certificate of registration and the current annual renewal card of all real estate salesmen employed by them therein or in connection therewith. All licenses issued to real estate salesmen shall designate the employer of such salesmen by name. Prompt notice in writing, within ten (10) days, shall be given to the Department by the real estate salesmen of any change of employer, and of the name of the new employer into whose service such salesman is about to enter or has entered, and a new license shall thereupon be issued without charge by the Department to such salesmen for the unexpired term of the original license: Provided, That such new employer shall be a duly licensed real estate broker. The

change of employer or employment by any licensed real estate salesman, without notice to the Department as aforesaid, shall automatically cancel the license to him theretofore issued, and it shall be the duty of the employer named in such license to notify the Department promptly of any such change of employer or employment.

VIOLATIONS.

(c) The violation of any of the provisions of this section by any licensee shall be sufficient cause for the suspension or revocation of his, her, or its license, in the discretion of the Commission.

Section 10. INVESTIGATION OF COMPLAINTS—GROUNDS OF SUSPENSION OR REVOCATION OF LICENSES.

(a) The Commission may, upon its own motion, and shall, promptly upon the verified complaint in writing of any person setting forth specifically the wrongful act or acts complained of, investigate any action or business transaction of any licensed real estate broker or real estate salesman; and shall have the power temporarily to suspend or permanently to revoke licenses theretofore issued by the Department under the provisions of this Act, at any time when, after due proceedings as hereinafter provided, it shall find the holder thereof to have been guilty, in the performance or attempt to perform any of the acts prohibited to others than licensed real estate brokers or real estate salesmen under the provisions of this Act.

- (1) Of knowingly making any substantial misrepresentation; or
- (2) Of knowingly making any false promise of a character likely to influence, persuade or induce; or
- (3) Of a continued or flagrant course of misrepresentation or making of false promises through agents or salesmen; or
- (4) When it shall be shown that the licensee, within five years prior to the issuance of the license then in force, has been convicted in a court of competent jurisdiction of this or any other state of forgery, embezzlement, obtaining money under false pretenses, extortion, conspiracy to defraud, or other like offense or offenses.
- (5) Of any failure to account for, or to pay over moneys belonging to others, which have come into his, her or its possession arising out of real estate transaction; or
- (6) Of any misleading or untruthful advertising; or
- (7) Of any act or conduct in connection with a real estate transaction which demonstrates incompetency, bad faith, or dishonesty.
- (8) Of displaying a "for rent" or "for sale" sign on any property without an exclusive agency therefor or without the owner's consent.
- (9) Of failing to furnish voluntarily a copy of the agreement of sale to the buyer and the seller.
- (10) Of buying a property listed through a straw party with the intent of reselling to a buyer already secured, thus making a profit in addition to the commission agreed upon with the owner listing the property.

HEARINGS HELD BY THE COMMISSION.

(b) Before refusing, suspending or revoking any license, the Commission shall, in writing, notify the applicant or licensee of the charges against him, accompanying the notice with a copy of the complaint, if any filed, and the Commission shall accord the applicant or licensee ample opportunity to be heard thereon in person or by counsel. If the applicant or licensee shall so desire, the Commission shall grant a hearing upon such charges, to be held on not less than ten (10) days' prior notice in writing to the applicant or licensee given, and shall furnish licensee at the time of giving the said notice with copies of any and all communications, reports, affidavits, and dispositions in the possession of the Department touching or relating to the matter in question. At such hearing, the applicant or licensee shall be entitled to examine, either in person or by

counsel, any and all persons complaining against him, and as well all other witnesses whose testimony is relied upon to substantiate the charges made. He shall also be entitled to present such evidence, oral and written, as he may see fit, and as may be pertinent to the inquiry. The said hearings may be held by the Commission or any member thereof, or by any of its duly authorized representatives, or by any other person duly authorized by the Commission for such purpose in any particular case, and they shall be held, if the applicant or licensee so desires, within the county where the applicant's or licensee's principal place of business is situated. At such hearings, all witnesses shall be duly sworn by the duly authorized representatives, general or special, before whom the hearing is held, and stenographic notes of the proceedings shall be taken and filed as part of the record in the cause. Any party to the proceedings desiring it, shall be furnished with a copy of such stenographic notes, upon the payment to the Department of such fee as it shall, by general rule or regulation, prescribe therefor, not exceeding however twenty-five cents per folio.

REVIEW BY THE COURT.

(c) The refusal of the Commission to authorize the Department to issue any license, after application properly made, and compliance by the applicant with the requirements of this Act, shall be subject to review by the court of common pleas of Dauphin County, upon petition for writ of mandamus, or other appropriate remedy, with the right of appeal to the applicant as in other and similar cases.

(d) The decision of the Commission in suspending or revoking any license issued under this Act shall be subject to review by the court of common pleas of Dauphin County. The Commission shall maintain in its main office a public docket or other record, in which it shall record, from time to time, as made, the rulings or decisions upon all complaints filed with it, and all investigations instituted by it in the first instance, upon or in connection with which any such hearing shall have been had, or in which the licensee charged shall have made no defense. The Commission shall also give immediate notice in writing, of such ruling or decision to the licensee affected thereby, and as well where the investigation shall have been instituted by complaint filed to the party or parties by whom the complaint was made. If such ruling shall be to the prejudice of, or shall injuriously affect, the licensee, the Commission shall also state in said notice the date upon which the said ruling or decision shall become effective, if not theretofore appealed from, and such date shall not be less than thirty (30) days from and after the date of the said notice. If the licensee cannot, at such time, be found, his whereabouts being then unknown, such notice may be given by the Commission by advertisement inserted in one issue of a newspaper of general circulation, published within the county where was located the principal office of the licensee as designated in the license. When any revocation or suspension shall become final, the Commission shall publish notice thereof in one issue of one or more newspapers of general circulation published within the county in which the licensee was practicing or engaged in the real estate business at the time of such revocation or suspension.

LICENSEE'S RIGHT TO APPEAL.

Such ruling or decision of the Commission shall be final when in favor of the licensee and in dismissal of the complaint filed, if any. If against the licensee, or in any way to the licensee's injury or prejudice, the licensee may, at any time prior to the date fixed by the Commission in its said notice as the date it shall become effective, appeal from such decisions to the court of common pleas of Dauphin County, by filing written notice of such appeal, together with reasons for such appeal in the office of the prothonotary of Dauphin County and by serving a copy thereof on the Commission either by filing the said notice of appeal in the office of the Commission, or by delivering the same to the representative, whether general or special, before whom the hearing in the case was had.

Within thirty (30) days after the service of such notice of appeal, the Commission shall file with the prothonotary of the said court of common pleas a transcript of the record of the proceedings in its office, duly certified over the seal of the Department, which record shall include all papers on file with the Commission affecting or relating to the inquiry or investigation conducted by the Commission and all the evidence taken in the said hearing, including the steno-

graphic notes of testimony. Notice of the filing of the said transcript, with the term and number to which filed, shall be forthwith given by the Commission to the licensee, and as well to the party or parties, if any, upon whose complaint the proceedings before the Commission were instituted. The cost of the said transcript, at twenty-five cents per folio, and one dollar for certification, shall be entered as part of the record costs in the cause, to be paid as the said court may direct. In all proceedings upon such appeal, the Department of Justice shall appear for and represent the Commonwealth.

The appeal shall thereupon be heard, in due course, by the judge or judges of the said court of common pleas, without a jury, by whom the proceedings before the Commission, its findings and rulings, shall be given similar weight, force, and effect as are accorded to the findings and report of a referee selected or appointed under the provisions of the Act entitled "An Act to provide for the submission of civil cases by agreement of the parties to a referee learned in the law," approved the fourteenth day of May, one thousand eight hundred and seventy-four, and its supplements.

(e) The order or ruling of the Commission in any such proceeding shall become of full force and effect upon the date fixed by the Commission in the said notice by it given thereof to the parties thereto, unless notice of appeal therefrom shall, prior to said date, be duly served upon the Commission, as hereinbefore provided. If an appeal shall be so taken, such an appeal shall act as supersedeas until ten (10) days from and after the date of the filing of the transcript by the Commission in the court of common pleas of Dauphin County, and notice thereof by it given to the licensee, but not longer unless the said court of common pleas shall, upon motion to the licensee, grant an order of supersedeas, in which case the appeal shall be heard by the said court and its decision entered after the granting of such order of supersedeas. An appeal shall lie from the decision of the said court of common pleas to the Superior Court, but no such appeal shall operate as a supersedeas unless made so by special order of the appellate court.

Section 11. RECORDS OF COURTS TO BE EVIDENCE.

(a) In all proceedings before the Commission, and as well in all proceedings upon appeal from any of its decisions, the record, or a duly certified or exemplified copy thereof, in any proceedings at law, or in equity, in any court of competent jurisdiction in this or any other state, in which the applicant or licensee charged or under investigation shall have been a party, shall be admissible where, the issue of fact involved in such proceedings are pertinent to the inquiry before the Commission, and the verdict of the jury or judgment of the court in any such action at law or the decree of the court in any such proceeding and necessarily adjudicated therein. So also the verdict of the jury in any criminal prosecution, in a court of record of this or any other state in which the applicant or licensee charged shall have been the defendant, shall be conclusive as to the facts charged and at issue in such prosecution.

REVOCATION AND SUSPENSION OF LICENSES.

(b) Where during the term of any license issued by the Department, the licensee shall be convicted in a court of competent jurisdiction, in this or any other state, of forgery, embezzlement, obtaining money under false pretenses, extortion, criminal conspiracy to defraud, or other like offense or offenses, and a duly certified or exemplified copy of the record in such proceeding shall be filed with the Commission, the Commission shall revoke forthwith the license by it theretofore issued to the licensee so convicted.

(c) In the event that any licensee shall be indicted in this or any other state for forgery, embezzlement, obtaining money under false pretenses, extortion, criminal conspiracy to defraud, or other like offense or offenses, and a certified copy of the indictment be filed with the Commission, or other proper evidence thereof be to it given, the Commission shall have authority, in its discretion, to suspend the license issued to such licensee pending trial upon such indictment.

(d) In the event of the revocation or suspension of the license issued to any member of a copartnership, or to any officer or an association or corporation, the license issued to such copartnership, association, or corporation shall be revoked by

the Commission, unless, within a time fixed by the Commission, where a copartnership, the connection therewith of the member whose license has been revoked shall be severed and his interest in the copartnership and his share in its activities brought to an end, or where an association or corporation, the offending officer shall be discharged and shall have no further participation in its activities.

NEW LICENSES PENDING INVESTIGATION OR AFTER REVOCATION.

(e) Pending an investigation or proceeding before the Commission affecting any licensee, and as well pending final decision upon any appeal taken by a licensee from the ruling of the Commission, no new license shall be issued to such licensee, or to a copartnership of which he is a member or employe, or to an association or corporation of which he shall be an officer or employe, except for the period of such investigation or proceeding, and subject to the action of the Commission thereon or therein.

(f) After the revocation of any license, no new license shall be issued to the same licensee, within a period of one year from and after the date of such revocation, nor any time thereafter except in the sole discretion of the Commission.

CONVICTION REQUIRES FIVE-YEAR WAITING PERIOD.

(g) No license shall be issued by the Department, to any person known by it to have been, within five (5) years theretofore, convicted of forgery, embezzlement, obtaining money under false pretenses, extortion, criminal conspiracy to defraud, or other like offense or offenses, or to any copartnership of which such person is a member, or to any association or corporation of which said person is an officer or employe, or in which as a stockholder such person has or exercises a controlling interest, either directly or indirectly.

Section 12. PENALTY FOR ENGAGING IN BUSINESS WITHOUT LICENSE—PENALTIES.

(a) Any person, copartnership, association, or corporation, who shall, after the first day of January, nineteen hundred and thirty, engage in or carry on the business, or act in the capacity of a real estate broker, or a real estate salesman, within this Commonwealth, without a license, or shall carry on or continue business after the suspension or revocation of any such license to him or it issued, or shall employ any person as a real estate salesman, to whom a license as real estate salesman had not been issued, or whose license as such shall have been revoked or suspended, shall be deemed guilty of a misdemeanor and, upon conviction thereof, shall be sentenced for the first offense to pay a fine of not less than fifty dollars (\$50) nor more than one hundred dollars (\$100), and for a second and any subsequent offense shall be sentenced to pay a fine of not less than five hundred dollars (\$500) nor more than one thousand dollars (\$1,000) or undergo imprisonment for a period of not more than one (1) year, or both in the discretion of the court.

PENALTY FOR FAILURE TO RENEW LICENSE.

(b) Any holder of a certificate of registration who shall fail to apply for a renewal of his or her certificate of registration on or before the renewal date in each year and who continues the practice of real estate broker or real estate salesman shall on conviction thereof be subject to a fine of not more than ten dollars (\$10) to be collected by summary conviction as like fines are collected by law and in case of non-payment of fine to undergo an imprisonment for a period not to exceed ten (10) days. Any such person shall have the right of appeal as in other cases of summary conviction.

Section 13. OATHS—SUBPŒNAS—PROCESS—WITNESS FEES—ENFORCING ATTENDANCE—COMMISSIONS TO TAKE TESTIMONY.

(a) The Commission, and each of its duly authorized representatives, and as well any special representative appointed by it to hold a hearing in any particular case, shall have power to administer oaths, and to issue subpœnas for the attendance of witnesses and the production of books and papers. In any hearing in any part of the Commonwealth, the process issued by the Commission shall extend to all parts of the Commonwealth, and such process shall be served, either in like manner as are served writs of subpœna in the court of common pleas, or by any person designated by the Commission for such purpose. The person serving such process shall receive such compensation as may be allowed by the Commission,

not to exceed the fee prescribed by law for similar services in the courts of common pleas, and such fees shall be paid in the same manner as provided herein for the fees of witnesses subpoenaed at the instance of the Commission. All witnesses who shall be subpoenaed and who shall appear in any proceeding before the Commission, shall receive the same fees and mileage as allowed by law to witnesses in the court of common pleas, which amount shall be paid by the party at whose instance the subpoena was issued or upon whose behalf the witness has been called. When any witness who has not been subpoenaed at the instance of any party to the proceeding shall be subpoenaed at the instance of the Commission, or its representatives, general or special, the fees and mileage of such witness shall be paid from the funds appropriated to the use of the said Department in the same manner as other expenses of the Department are paid.

(b) Where in any proceeding before the Commission, any witness shall fail or refuse to attend upon subpoena issued by the Commission, or any of its representatives, general or special, or appearing shall refuse to testify, or shall refuse to produce any books and papers the production of which is called for by the subpoena, the attendance of such witness and the giving of his testimony and the production of the books and papers required shall be enforced by any court of common pleas of this Commonwealth, in like manner as are enforced the attendance and testimony of witnesses before Commissioners appointed by any court of the United States or of any other state to examine or take the testimony of witnesses within this Commonwealth.

(c) The court of common pleas of any county shall, upon the application of the Commission, issue commissions or letters rogatory to other states for the taking of evidence there for use in any proceeding before the Commission. The Commission shall make such application at the instance of any party to the proceeding before it, unless in the opinion of the Commission, such application is made for the purpose of delay. Any such party shall be entitled as of right to subpoenas from the Commission, directed to such witnesses, and for the production of such books and papers as the party may desire.

Section 14. WHEN IS A VIOLATION OF SALESMAN GROUND FOR REVOKING EMPLOYER'S LICENSE.

No violation of any of the provision of this Act on the part of any real estate salesman, or other employe of any licensed real estate broker, shall be ground for the revocation of the license of the employer of such salesman or employe, unless it shall appear upon the hearing had that such employer had guilty knowledge of such violation. A course of dealing shown to have been persistently and consistently followed by such employe shall constitute prima facie evidence of such knowledge upon the part of his employer.

Section 15. PAYMENT TO UNLICENSED PERSONS OF COMPENSATION FOR SERVICES UNLAWFUL.

(a) It shall be unlawful for any licensed real estate broker, or real estate salesman, to pay any compensation, in money or other valuable thing, to any person other than a licensed real estate broker or real estate salesman, for the rendering of any service, or the doing of any of the acts by this Act forbidden to be rendered or performed by other than licensees.

SALESMEN NOT TO ACCEPT COMPENSATION EXCEPT FROM EMPLOYER.

(b) No real estate salesman shall accept or receive compensation of any kind from any person, other than the licensed real estate broker by whom he is employed, for any service rendered or work done by such salesman in buying, selling, exchanging, leasing, or negotiating a loan upon real estate or interest therein.

(c) The violation of the provisions of this section by any licensee shall be sufficient cause for the suspension or revocation of his license, in the discretion of the Commission.

Section 16. NO ACTION FOR SERVICES TO BE BROUGHT BY UNLICENSED PERSON IF
LICENSE REQUIRED.

No action or suit shall be instituted, nor recovery therein be had, in any court of this Commonwealth by any person, copartnership, association, or corporation for compensation for any act done or service rendered, the doing or rendering of which is prohibited under the provisions of this Act to others than licensed real estate brokers, unless such person, copartnership, association or corporation was duly licensed hereunder as real estate broker at the time of the doing of such act or the rendering of such service.

Section 17. ENFORCEMENT OF ACT BY COMMISSION.

The Commission may act by a majority of the members thereof, and authority is hereby given to the Commission to adopt, fix, and establish all rules and regulations in its opinion necessary for the conduct of its business, the holding of hearings before it and its representatives, and otherwise generally for the carrying out of the provisions of this act.

Section 18. CONSTITUTIONALITY ACT SEVERABLE.

If any section, subsection, sentence, clause, phrase or requirement of this Act is for any reason held to be unconstitutional, such decision shall not affect the validity of the remaining portions thereof. The Legislature hereby declares that it would have passed this Act, each section, subsection, clause, phrase and requirement thereof, irrespective of the fact that any one or more sections, subsections, clauses, phrases or requirements to be declared unconstitutional.

A supplement to the Real Estate Brokers' License Act, adopted May 26, 1939, P. L. 230, reads as follows:

"Section 1. All justices of the peace who are engaged in the real estate business on the effective date of this supplement, may continue in such business after the expiration of their term of office provided they shall meet all of the prerequisites of applicants for such licenses, except that they shall not be required to have served in the employ of a duly licensed real estate broker or brokers as a duly licensed real estate salesman for a period of two years. All justices of the peace shall continue to be exempt during their term of office from the provision of the act to which this is a supplement.

"Section 2. Persons who are aldermen upon the effective date of this supplement, shall be exempt from the provisions of the act to which this is a supplement, and such persons, if engaged in the real estate business during their term of office, may continue in such business upon the expiration of their term of office providing they shall meet all of the prerequisites of applicants for such licenses, except they shall not be required to have served in the employ of a duly licensed real estate broker or brokers as a duly licensed real estate salesman for a period of two years."

The Act of May 25, 1945, P. L. 1015, amended Section 202 of The Administrative Code of 1929 (Act of April 9, 1929, P. L. 177), as amended, by making the STATE REAL ESTATE COMMISSION an administrative commission and placing it in the Department of Public Instruction and added Section 453 which provides:

Section 453. State Real Estate Commission.—The State Real Estate Commission is hereby created and shall consist of the Superintendent of Public Instruction, ex officio, and five other persons, each of whom shall at the time of his appointment be a licensed and qualified real estate broker under the existing law of this Commonwealth, and shall have been engaged in the real estate business in this Commonwealth for a period of not less than ten years immediately prior to his appointment. Each of said five members of the board shall be appointed by the Governor.

The term of office of each of said five members shall be five years from his appointment, or until his successor has been appointed and qualified, except that

of the original members one shall be appointed for a term of one year, one for a term of two years, one for a term of three years, one for a term of four years, and one for a term of five years from the date of his appointment, or until his successor is appointed and qualified. In the event that any of said members shall die or resign during his term of office his successor shall be appointed in the same way, and with the same qualifications as above set forth, and shall hold office for the unexpired term.

Three members of the commission shall constitute a quorum. The board shall elect a chairman from among its members and a secretary who need not be a member of the commission. The secretary shall serve at the pleasure of the commission and shall receive such reasonable compensation as it, with the approval of the Superintendent of Public Instruction, shall fix. The Secretary shall have such powers and perform such duties, not contrary to law, as the commission may prescribe.

Each member of the commission other than the Superintendent of Public Instruction shall receive actual traveling expenses and per diem compensation at the rate of fifteen dollars (\$15) per day for the time actually devoted to the business of the commission.

